

Edward J. Ray
Oregon State University President
State of the University Address
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Portland Hilton

Thank you for such a wonderful welcome.

Thank you, Christi, and to your colleagues for making this event possible. And Pat, I appreciate your leadership of the Alumni Association's Business Roundtable.

Thanks, as well, to each of you for attending today. What a remarkable turnout!

Your presence here affirms your interest in and support of Oregon State University – and for that we are very grateful.

Today, as I share with you an update on the state of the university, I want to emphasize my certainty that the achievements of Oregon State University – and the university's incredible promise for the future – are the direct result of faculty, staff, students, administrators, alumni, donors, OSU friends and higher education supporters working together.

Together, we have made Oregon State University an authentic and accomplished community, whose excellence, innovation and leadership promote a healthy planet, wellness and economic progress.

That is who we are, and it uniquely defines this great university.

Oregon State's commitment to excellence is not based on some abstract principle.

The university was established in 1868 – 145 years ago – to serve others. And we understand that the more extraordinarily capable we are at everything we do, the more profound and positive our impact will be on those we serve.

This commitment to excellence, innovation and leadership has never been more essential than it is today – a time in which the economy remains unstable; where prosperity is enjoyed by fewer and fewer among us; where competing social needs mount; and where the future for young people is clouded by uncertainty. Looking ahead, it has never been more evident that as a land grant university, OSU must not only serve the state of Oregon, and do so exceptionally well, it must also be a national and international leader, and contributor for the 21st century.

As we work and invest together toward a brighter, more certain future, we must also do things differently than before.

I know that our graduates are Oregon State's most important contribution to society and the future. Therefore at OSU, we are not simply preparing people for the workforce -- we are about *re-inventing* the workforce. Today, I am pleased to welcome more than two dozen Oregon State students, who I am confident will help change the world for the better. Would those OSU students with us today please stand and be recognized?

In the spirit of looking ahead at how Oregon State University is prepared to address the future, I will focus on five key points:

- the financial state of the university;
- OSU's decision regarding student enrollment in the future;
- the university's commitment to excellence;
- the exponential growth of the university's research and Oregon State's impact on innovation and discovery across the world;
- and, the remarkable accomplishments we are realizing because of the Campaign for OSU.

To begin, let me review a few important achievements since I met with you last year here in Portland:

- This past fall, more than 40 percent of our incoming freshmen qualified as high achieving with a high school GPA of 3.75 or higher. In fact, each year OSU enrolls more valedictorians and salutatorians than any other university in the state. A number of the Portland area's brightest and most accomplished high school students are with us today. Would you and your parents please stand and be welcomed. I hope that each of these exceptional students will enroll at OSU.
- Oregon State is an increasingly diverse and inclusive community. This year, about one in five OSU students is a member of a U.S. minority. We continue to build a global student body and we have more than doubled our international enrollment to 2,400 students in the last few years. Increasing the cultural diversity of Oregon State enriches our lives, and helps to prepare OSU students to excel in a global economy and community.
- In the past two years, we have hired 180 tenure track faculty from prestigious universities across the world. I know of no other university in the nation that has hired this many new faculty.
- The Campaign for OSU continues to be an amazing success. The campaign raised \$106 million last year. And, after a very strong first half of this year, I am pleased to announce today that with commitments in hand and pledges to be booked the campaign total now stands at \$900 million – well on the way to achieving our goal of \$1 billion by the end of 2014.
- Despite cutbacks in federal and state funding, overall research funding at OSU last year increased to \$281 million. This included strong gains in industry-funded research – a priority and growing success story for Oregon State. Research grants and contracts awarded to the university have more than doubled over the past decade and provide for

innovation and discovery that touch countless aspects of the economy, wellness and our environment.

- In Central Oregon, an effort to expand OSU-Cascades by 2015 to a robust four-year branch campus of Oregon State has begun thanks to an incredible outpouring of community support and financial investment. Since late April, more than \$3.3 million of a \$4 million goal has been raised in private contributions to help fund the campus expansion. This total includes a \$1 million award from the Tykeson Family Trust. Our goal to grow OSU-Cascades to an enrollment of 3,000 to 5,000 students by 2025 has strong leadership support from Oregon Gov. John Kitzhaber, key state legislators, the state Board of Higher Education and the people of central Oregon. And, Becky Johnson is leading this effort with exceptional skill.
- Just yesterday, the National Science Foundation announced that Oregon State would be the lead institution on a project to design and coordinate the construction of as many as three ocean-going research vessels to increase the nation's marine science research capabilities. If all three vessels are funded, the project investment that OSU would coordinate would total \$290 million. It is anticipated that one of the vessels would be based on the West Coast – hopefully at Oregon State's Hatfield Marine Science Center in Newport – while the other vessels would be located on the East Coast and the Gulf Coast. This will be a 10-year project.
- For those of you who follow sports, Beaver athletics have enjoyed significant success, led by this year's OSU football team's 9-3 season record. Meanwhile, Pac-12 media contracts are now in place, and our media funding for athletics will more than triple in the next few years. In time, athletics will help us fund academic and support activities.
- And as you saw in the introductory video, First Lady Michelle Obama gave an inspiring and memorable commencement address in Reser Stadium this past June to a crowd of more than 30,000 people and Oregon State's largest ever graduating class – nearly 5,000 students. While conferring the honorary degree, I assured the First Lady that she would always be a member of Beaver Nation.

Make no mistake, Oregon State is special.

The university offers more than 200 undergraduate and 100 graduate degree programs where students learn and work with world-class faculty in curriculums ranging from forestry, to crop science, business, public health and human sciences, public policy, engineering, pharmacy, veterinary medicine, oceanography and much more.

But what you might not realize is that OSU also offers an acclaimed writing program that is developing some of the nation's finest young writers; operates 4-H programs that bridge the gap between K-12 education and life skills; supports a student-operated Open Source computing lab that brings cutting edge innovations in software to consumers, and offers Extension programs in Multnomah, Washington and Clackamas counties that promote a healthy local economy and community. Or that Oregon State's College of Business has a new executive MBA program that innovatively focuses in areas such as international operations, supply chain management and marketing management or that OSU's colleges of Business and Pharmacy are collaboratively addressing the business of wellness with a new Pharm.D MBA program.

But OSU is not about “how many or how big.”

It’s about value, benefit and impact.

This past fall, the Fiske Guide to Colleges named OSU one of the nation’s 41 “best buy schools” based on the university’s strong academics and modest cost of education. In fact, only 20 public universities were so ranked by Fiske. And Oregon State was one of only two Pacific Northwest universities honored. Given that 71 percent of OSU graduates at mid-career work in the degree area from which they graduated and earn 50 percent more than their peers nationally, we think an Oregon State degree provides phenomenal financial and career value for our graduates.

OSU also enjoys a strong sense of place. At Oregon State, students, faculty, staff and community members thrive together.

Last fall, the American Institute for Economic Research named Corvallis as the No. 5 top destination among all college towns in America. This designation captures the community’s overall quality of life, cultural and academic opportunities, natural beauty, employment opportunities, and community values.

But, OSU is much more than simply a stand-alone, mid-Willamette Valley University.

As I noted last year, Oregon State generates more than \$2 billion in annual economic impact -- and its teaching, research, outreach and engagement activities -- reach throughout the state of Oregon in the form of university facilities and programs in each of the state’s 36 counties. Here in Portland, the OSU Extension Service, our Food Innovation Center in The Pearl, OSU’s College of Pharmacy’s partnerships with OHSU and the College of Veterinary Medicine programs with the Oregon Humane Society help transform the Portland region. As you leave today, each of you will receive our IMPACT 2013 report, which includes important facts and rich narratives about OSU’s faculty, staff, students and alumni.

Today, I will share with you a brief view of Oregon State’s future.

First, through multiple initiatives -- including very effective financial management and strategic planning; increasing research funding; the support of the Campaign for OSU; and meeting targeted increases in enrollment growth -- Oregon State University is in a sound financial position.

The financial state of the university remains strong for the foreseeable future despite unrelenting challenges in state funding for higher education and federal funding for research, student financial aid and statewide public services. Furthermore, important governance issues within public higher education and across the pre-K-20 continuum are being addressed. Oregon State University is committed to be part of the solution in this change effort that is so essential to achieving the state’s 40-40-20 academic goal. In fact, we have established a clear direction for ourselves and in our partnership with the state on behalf of the people of Oregon.

Second, we have developed great clarity regarding the academic and service excellence we seek. We have reinvented our academic programs and nurtured an already strong culture of collaboration at Oregon State. We decreased the number of colleges, schools, departments and programs from 63 to 42, and we have eliminated 25 historically low enrollment programs and created and refreshed others. We have streamlined OSU's academic administrative structure and transformed our focus into three signature areas built on a strong foundation in the arts and sciences. And we are investing in the recruitment and retention of world-class faculty, staff and administrators. Faculty members are the heart and the soul of Oregon State. And we cannot achieve the excellence we seek without outstanding and diverse faculty.

Third, we are successfully managing our enrollment goals to moderately grow Oregon State's enrollment in Corvallis, serve our responsibility as Oregon's statewide university, and recruit and retain the best and the brightest and most diverse students. We are doing so to maintain a manageable campus size and community balance in Corvallis; by expanding our academic programming on-line, by growing OSU-Cascades; and by creating limited academic offerings in Newport. Oregon State can attain top 10 national standing among land grant universities with 28,000 students enrolled at our Corvallis campus, rather than the 35,000 to 40,000 students at peer universities. And, we will meet our targets in support of the 40-40-20 initiative.

Fourth, we will continue to increase the amount and impact of grant-funded research, including increased university-industry partnerships.

Many strategic industry partnerships are well under way. Last year, we signed a record 108 licensing agreements and since 2006, we have spun off 17 companies that have attracted more than \$180 million in capital investment. Earlier this month, we launched a new initiative -- the Oregon State University Advantage -- which will serve business partners in the university's signature areas of distinction. We commit to work with business partners to improve their bottom line performance -- and the national and global economy -- by providing access to world-class faculty and top students, as well as an open door to the world-class research and problem-solving capabilities found at OSU.

And finally, we will successfully complete our Campaign for OSU fundraising in the next two years, while maintaining forward momentum.

Today, I would like to make two major announcements regarding the Campaign for OSU.

First, I am pleased to announce that alumnus Peter Johnson and his wife, Rosalie, will contribute \$7 million to create a new world-class educational and research facility within Oregon State's College of Engineering.

Along with an earlier \$10 million gift from an anonymous donor, \$3 million in additional private funds and possible state matching funds, this planned \$40 million building will address space needs for faculty, lab space for interdisciplinary research and assist the recruitment and retention of engineering students -- one of the rapid enrollment growth areas at OSU.

This new building will help to revolutionize how Oregon State approaches collaborative projects involving scientists and students in engineering and other colleges in critical areas of study and discovery, including chemical engineering, biological engineering and environmental engineering.

Thank you, Pete and Rosalie Johnson.

Second, I am pleased to announce that Oregon State University will invest in the reinvention of the arts and the humanities at this great research university.

Oregon State has received a \$5 million commitment from an anonymous donor to advance the university's performing arts programs, thereby launching an unprecedented effort to build support for OSU's School of Arts and Communication.

This is the largest gift that Oregon State has ever received for the arts. And it is dedicated to endowments, which will provide a permanent source of funding for four faculty and staff positions, including a director of the performing arts, who will lead arts offerings at Oregon State and connect with arts programs in Corvallis and well beyond.

This \$5 million gift is a cornerstone investment in our university. Excellence in the arts and sciences is at the core of every great national and international research university. The arts and humanities provide students the context and inspiration of life, culture and society. They help drive creativity and innovation.

At Oregon State, excellence in the arts will be a growing part of all areas of study, research and outreach.

I am so grateful to the many donors to the Campaign for OSU – including the inspired generosity of individuals such as Pat Reser and her family, Bob and Charlee Moore, Ken and Joan Austin and many others. Still, none of this would be possible without the outstanding campaign stewardship provided by Foundation President Mike Goodwin and his sidekick Shawn Scoville.

Contributions to the Campaign for OSU through scholarships and fellowships now total more than \$150 million. The Campaign also is providing capital resources for state-of-the-art classrooms and research facilities.

A year ago, we opened the Linus Pauling Science Center, the Hallie Ford Center for Healthy Children and Families, the International Living Learning Center, a renovated Furman Hall and the Graduate Studies Center at the Cascades Campus. This year, we will open the OSU Student Success Center, The Native American Cultural Center, our new track facility, and a practice facility for our basketball programs. In the next few years we will build a new residence hall, and Austin Hall for our College of Business, three new cultural centers, the Student Experience Center; and hopefully, with state support for the engineering science center, an all-purpose classroom building, and an expanded OSU Cascades Campus.

With the leadership of Provost Sabah Randhawa, the Campaign for OSU has increased the number of endowed faculty positions at Oregon State from 47 positions to 117 today.

And Oregon State, the OSU Foundation and the Alumni Association are growing broader international connections and partnerships with OSU alumni and international universities throughout the world – particularly in the Pacific Rim in places such as Taiwan, China, Hong Kong and Thailand.

As we update the university's strategic plan over the next 12 months, we will continue to serve as Oregon's exceptional statewide university and to provide a roadmap for the future that builds on our strengths and secures OSU's commitment to serve the nation and the world.

In that role, Oregon State University will continue to grow its engagement in world-class academics and ground-breaking research – and in community outreach and service – on everything from childhood obesity, to agriculture, forestry, climate change, nanotechnology, metals manufacturing, clean technology, natural resources, and high tech health care.

Oregon State faculty, students and alumni will continue to teach the nation and the world's youth. Hundreds of OSU graduates and current students will serve in our nation's military and Oregon National Guard. Thousands will volunteer in communities in Portland, across the state, nation and around the world.

Thank you for being with us today.

And thank you for helping make Oregon State University an authentic community of accomplishment whose excellence, innovation and leadership shape a healthy planet, wellness and economic progress.